REMARKS/ARGUMENTS

Claims 1 through 5 are pending and have been rejected under 35 U.S.C. 102(e) as being anticipated by either U.S. Patent 6,078,888 to Johnson, Jr. ("Johnson") or U.S. Patent Application 2002/0116341A1 to Hogan, *et al.* ("Hogan"). The Applicants respectfully traverse this rejection. Claim 1 has been amended to clarify that the claimed universal cardholder authentication field (UCAF) is utilized to transmit cardholder authentication data as well as purchase information. Based on this amendment, and the remarks set forth below, Applicants respectfully request that the Examiner reconsider his rejection of the pending claims.

I.   The Johnson Reference Does Not Anticipate Claims 1 Through 5

Claim 1 is the sole independent claim pending in the present application. As amended, it requires, among other limitations, the step of "utilizing a [UCAF] for transmitting to said merchant said cardholder authentication data regardless of the authentication mechanism utilized, and purchase information." This utilizing-a-UCAF step is also required by claims 2 through 5, each of which depends from claim 1.

Johnson recites a POS system that makes use of a remote communication device referred to as a tag **100**. *See* Johnson at col. 5, lns. 49-51. A tag **100** is authenticated by a host **300** using a DES encrypted value produced by the tag **100** and transmitted by the tag **100** to the host **300** via POS communications electronics **204** of a POS device **200**. *See* Johnson at col. 10, lns. 10-19; and FIGS. 1, 2B, and 5. Nowhere does Johnson so much as mention a universal cardholder authentication field (UCAF), much less disclose or suggest that a UCAF be utilized for transmitting cardholder authentication data and purchase information to a merchant, as is required by the pending claims.

Thus Johnson, which neither discloses nor suggests the utilizing-a-UCAF step of claims 1 through 5, fails to anticipate the pending claims.

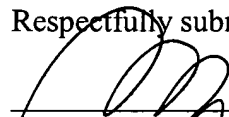### II.   The Hogan Reference Does Not Anticipate Claims 1 Through 5 Either

The utilizing-a-UCAF step of claims 1 through 5 is not disclosed or suggested by Hogan either. As was previously explained, the utilizing-a-UCAF step requires that the UCAF be utilized for transmitting to a merchant cardholder authentication data as well as purchase information. Purchase information, according to paragraph [0010] of the specification of the present application, may include such information as billing address, shipping address, card account number, or expiration date.

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While Hogan discloses an authentication system that utilizes a "new" hidden "MAC" field containing authentication data (*see* Hogan at ¶¶ [0065]-[0073]), Hogan never discloses or suggests that this MAC field is utilized to transmit both cardholder authentication data and purchase information to a merchant, as is required by claims 1 through 5. Thus Hogan also fails to anticipate claims 1 through 5.

III.   Conclusion

Applicants respectfully submit that neither Johnson nor Hogan anticipate pending claims 1 through 5. Reconsideration of the rejection of claims 1 through 5, as well as allowance of those claims, is earnestly solicited.

Respectfully submitted,

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